



ENTERED
08/18/2010

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	
DEEP MARINE HOLDINGS, INC.;	§	Case No. 09-39313-H1-11 ✓
et al.	§	(Jointly Administered)
	§	
Debtors	§	Chapter 11

DEEP MARINE 1, LLC,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Adversary No. 10-3271 ✓
	§	
THE DEEP MARINE LIQUIDATING	§	
TRUST, et al.,	§	
	§	
Defendants.	§	

JOHN D. BITTNER,	§	
LIQUIDATING TRUSTEE,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Adversary No. 10-3312 ✓
	§	
NASSER KAZEMINY, et al.	§	
	§	
Defendants.	§	

**ORDER SEVERING EQUITABLE SUBORDINATION CLAIM (COUNT III)
AND RECHARACTERIZATION OF DEBT CLAIM (COUNT IV) OF GENERAL
ELECTRIC CAPITAL CORPORATION'S CROSS-CLAIM AGAINST OTTO
CANDIES, LLC FILED IN ADVERSARY PROCEEDING
NO. 10-3271 AND CONSOLIDATION OF CLAIM
INTO ADVERSARY PROCEEDING NO. 10-3312**

On July 29, 2010, the Court held a status conference in Adversary No. 10-3271, styled *Deep Marine 1, LLC v. The Deep Marine Liquidating Trust, et al.*

After considering the claims and various cross-claims asserted by the parties in this adversary proceeding, the Court determined and the parties agreed that the claims for equitable subordination and recharacterization of debt asserted by General Electric Capital Corporation ("GE") in Counts III and IV, respectively, of General Electric Capital Corporation 's Cross-Claim against Otto Candies, LLC, should, in the interest of judicial economy, be severed from Adversary No. 10-3271 and consolidated with Adversary No. 10-3312, styled *John D. Bittner, Liquidating Trustee, v. Nasser Kazeminy, et al.*, which also is currently pending before this Court. Therefore it is

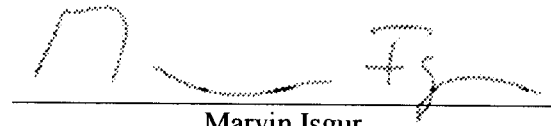
ORDERED that the claims for equitable subordination and recharacterization of debt asserted by GE in Counts III and IV, respectively, of General Electric Capital Corporation 's Cross-Claim against Otto Candies, LLC are hereby severed from Adversary No. 10-3271 and consolidated with the claims asserted by the Liquidated Trustee in Adversary No. 10-3312, styled *John D. Bittner, Liquidating Trustee, v. Nasser Kazeminy, et al.*, currently pending before this Court. All other claims and cross-claims of GE shall remain pending in Adversary No. 10-3271, subject to further Order of this Court. It is further

ORDERED that the Cross-Defendant Otto Candies, LLC shall file (i) its Answer to GE's remaining Cross-Claims in Adversary No. 10-3271, and (ii) its Answer to GE's equitable subordination claim and recharacterization of debt claim (currently denoted as Counts III and IV, respectively) in Adversary No. 10-3312 by August 31, 2010 in accordance with the deadlines established by the

Court. It is further

ORDERED that on or before September 15, 2010, GE shall file appropriate pleadings in Adversary No. 10-3271 and Adversary No. 10-3312 to reflect the severance and consolidation of its equitable subordination and recharacterization of debt claims into Adversary No. 10-3312.

Signed: August 17, 2010


Marvin Isgur
Chief United States Bankruptcy Judge

APPROVED AS TO FORM:

ADAMS AND REESE LLP

By: /s/ Susan C. Mathews

SUSAN C. MATHEWS

State Bar No. 05060650

MICHAEL M. MIRE

State Bar No. 24010757

1221 McKinney, Suite 4400

Houston, Texas 77010

Tel: 713-652-5151

Fax: 713-652-5152

**ATTORNEYS FOR GE BUSINESS FINANCIAL
SERVICES, INC. AND GENERAL ELECTRIC
CAPITAL CORPORATION**

THOMAS S. HENDERSON, Attorney at Law

By: /s/ Thomas S. Henderson

Thomas S. Henderson

State Bar No. 09432300

711 Louisiana, Suite 3100

Houston, Texas 77002-2716

Tel: 713-227-9500

Fax: 713-620-3023

-AND-

David L. Carrigee (LA. Bar No. 3892)

Karl J. Zimmerman (LA. Bar No. 14481)

Jena W. Smith (LA. Bar No. 25255)

BALDWIN HASPEL BURKE & MAYER, LLC

Energy Centre – 22nd Floor

1100 Poydras Street, Suite 2200

New Orleans, Louisiana 70163

Tel: 504-569-2900

Fax: 504-569-2099